

REMARKS

The previous Office Action rejected the claims as indefinite under 35 U.S.C. 112, and also as obvious under 35 U.S.C. 103 from the teachings of an earlier patent to Odom in view of Hambrecht. This Response amends the claims to clarify their scope and distinguish them from the prior art. Also accompanying this response is a Request for Continued Examination.

Claim 1 has been amended to clarify that it is directed to:

1. A method for conducting an auction of securities to auction participants, the method comprising:
 - providing a bid mechanism for receiving a plurality of competitive bids each having:
 - i. a quantity of securities to be purchased,
 - ii. an initial price known to the auction participants and having an associated bid time stamp, and
 - iii. a final price within a predetermined range of the initial price, having the associated bid time stamp of the initial price, and not known to the auction participants other than the bidder who submitted the competitive bid;
 - based on the final prices and associated bid time stamps, providing an allocation of the securities at a single clearing price that sells all of the securities; and
 - providing a system for monitoring the auction as it occurs.

The amended claim is based on the previous version of claim 1, with amending language to clarify the elements of competitive bids, and also adding requirements with regards to bid time stamps as had been set forth in previous dependent claims. Support for the new version of claim 1 may be found throughout the original specification, for example, page 15, lines 4-20; page 20, lines 13-27; page 22, line 18-page 24, line 15. No new matter has been added. Independent apparatus claim 15 and computer program product claim 34 have been amended similarly.

In addition, to simplify prosecution and clarify the scope of the invention, numerous claims have been canceled. Claims 6-11, 13, 14, 20-33 (previously withdrawn), 35-38, 40-42, 51-54, 56-58, and 63-74 (previously withdrawn) have been canceled. Claims 1-5, 12, 15-19, 34,

39, 43-50, 55 and 59-62 remain pending. It is believed that the extensive amending and canceling has addressed and corrected the rejections raised under section 112 with regards to indefiniteness. Reconsideration and withdrawal of the rejections is respectfully requested.

Claims 1-5, 12, 15-19, 34, 39, 43-50, 55 and 59-62 stand rejected under 35 U.S.C. 103(a) as obvious from U.S. Patent No. 6,058,379 (Odom) in view of U.S. Patent No. 6,629,082 (Hambrecht). Applicants respectfully traverse this rejection.

Claim 1 is directed to a method for conducting an auction of securities. The competitive bids specify a quantity of securities and have two price components, an initial price and a final price, each of which is rigorously and definitely defined. The initial price: (1) is known to the auction participants, and (2) has an associated bid time stamp. The final price: (1) is within a predetermined range of the initial price, (2) has the associated bid time stamp of the initial price, and (3) is not known to the auction participants other than the bidder who submitted the competitive bid. Ultimately, the securities are allocated: (1) based on the final prices and associated bid time stamps, and (2) at a single clearing price that sells all of the securities. Such an arrangement is not taught or suggested by the prior art.

In addressing related claim language, the prior Office Actions said that Odom taught something similar at col. 10, lines 38-59. But the cited passage discusses no more than sales of stocks with prices negotiated between the buyer and seller. Many of the claim elements of present claim 1 are lacking.

Specifically, while it might be considered that Odom describes an initial price that is known to the auction participants, it provides no suggestion that such an initial price has an associated bid time stamp as required by claim 1. This single distinction in and of itself is reason enough to allow claim 1 over Odom, but Odom also lacks many of the other required claim

elements. While it is arguable that some form of final price is implicit in Odom, there is no suggestion of the specific features of the final price required by claim 1: (1) within a predetermined range of the initial price, (2) having the associated bid time stamp of the initial price, and (3) not known to the auction participants other than the bidder who submitted the competitive bid. Again, any one of these features by itself is enough of a distinction to allow claim 1 over Odom. Moreover, Odom provides no suggestion that the securities be allocated in the manner required by claim 1 which is (1) based on the final prices and associated bid time stamps, and (2) at a single clearing price that sells all of the securities. The prior Office Actions cited the earlier Hambrecht patent as teaching the second element above, but Hambrecht does not suggest the many other claim elements as discussed above.

Neither Odom nor Hambrecht, alone or in combination, teach or suggest a method for conducting an auction of securities to auction participants as required by claim 1. Thus, claim 1 is allowable over Odom and Hambrecht. Claims 2-5, 12, 39 and 43-46 depend from claim 1 and are allowable for the same reasons. Claim 15 is an apparatus claim similar in substance to method claim 1 and is allowable for the same reasons. Claims 16-19 depend from claim 15 and are allowable for the same reasons. Claim 34 is a computer program product claim similar in substance to method claim 1 and is allowable for the same reasons. Claims 47-50, 55, and 59-62 depend from claim 34 and are allowable for the same reasons. Reconsideration and allowance of the claims is respectfully requested.

Applicants believe that no extension of time is required; however, this conditional petition is made to provide for the possibility that the applicants have inadvertently overlooked the need for an extension of time. If any additional fees are required for the timely consideration of this application, please charge deposit account number 19-4972.

It is submitted that all the claim rejections have been addressed and that all of the pending claims are now in a condition for allowance. Reconsideration of the application and issuance of a notice of allowance are respectfully requested. If the Examiner believes, after this amendment, that the application is not in condition for allowance, the Examiner is invited to call applicants' attorney at the telephone number listed below.

Respectfully submitted,

/Jay Sandvos/

Jay Sandvos
Registration No. 43,900
Attorney for Applicant

BROMBERG & SUNSTEIN LLP
125 Summer Street
Boston, MA 02110-1618
Tel: (617) 443-9292
Fax: (617) 443-0004
02955/00103 647369.1